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Fresh Deciduous Fruit

Annual

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Report Highlights:

Japanese apple production is forecast to decline 7 percent in 2000 to 862,000 tons. Despite the decline, imports of U.S. apples are expected to remain modest at less than 1,000 tons. By contrast, U.S. table grape sales are forecast to jump 5-10 percent, boosted by good quality and competitive pricing.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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2000 Japanese Apple Crop Expected to Decline Approximately 7 Percent

According to the Ministry of Agriculture (MAFF,) the 2000 Japanese apple crop is expected to decline approximately 7 percent from last year, to 862,500 metric tons. According to Tokyo traders, the short crop will boost wholesale prices 5 - 10 percent above prices last year.

The taste of apples for the 2000 Japanese crop is reportedly excellent with fairly high Brix levels, according to industry sources. Unlike last year's small sized fruit, there are many medium to large sized fruit this season. The most common sized fruit for this season are size 36s (36 apples per 10 kilogram box), followed by sizes 32, 40 and 28. Currently, an early crop variety, Tsugaru apples are harvested in Nagano prefecture and traded at 200 - 300 yen (\$1.88 - \$2.83) higher than last year, at 3,500 - 3,700 yen (\$33.01 - \$34.90) for a 10 KG box at Tokyo's Ohta Wholesale Market. The prices will likely stabilize at approximately 3,000 yen (\$28.30) for a 10 KG box in mid September, when Tsugaru's volume shipment starts. The harvesting of Aomori's Fuji apples has not started until early October. The prices of Fuji apples are expected to go up 5 - 10 percent from last year, due largely to relatively small crop of Fujis (down 8 percent from last year), according to Tokyo traders. This year's good quality Fujis also encourage higher prices at the market. The wholesale prices of Fujis are expected at 3,200 - 3,500 yen (\$30.18 - \$33.01) for a 10 KG box of medium sized fruit, when Fuji's peak shipment starts in November.

Imports of U.S. Apples to Continue Modest in 2001

In March, 2000, U.S. fujis were introduced to Japan and with much enthusiasm by Japanese traders, selling initially at 150 yen (\$1.41) for a medium sized fruit (size 34). However, sales were not as active as the industry expected and the retailers had to lower prices to clear inventories. The less than expected sales were due partially to widespread marketing of substandard grade apples by Japanese producers. The cosmetically imperfect but tasty Japanese seconds were retailed at 100 yen (\$0.94) for a medium sized fruit (size 32). In some cases, secondary graded fruit (normally, for processing) were retailing for 50 -70 yen (\$0.47 - \$0.66) /piece, or 350 - 400 yen (\$3.30 - \$3.77) for a bag of 6 - 8 apples.

While many Japanese traders report Washington Fujis offer good taste, appearance, and size, improved marketing and better pricing is needed in order to generate significant demand. Traders say a strategy to overcome a poor safety image among Japanese consumers toward U.S. apples is also needed. 1999-2000 Washington apple sales totaled 211 metric tons, valued at less than \$1 million (CIF.)

Japan's Apple Juice Imports are Expected to Surge in 2000

Japan's imports of concentrated apple juice are expected to increase significantly in 2000, due to a booming Japanese market of apple juice and a relatively small domestic apple crop in 2000. Further, record-breaking Japan's hot weathers in this summer encouraged Japanese consumption of fruit juices include apple juice. As a recent market trend, apple juice and grapefruit juice, in particular, have gained their market shares in Japan's juice market.

Japanese Imports of Chinese Apple Juice Jumped Significantly

Imports of Chinese concentrated apple juice (with less than 10 percent sucrose) jumped approximately 61 percent to 12,400 kiloliters in the first half of 2000 compared to the same period last year. China is, by far, the largest supplier of apple juice to the Japanese market, sharing approximately 38 percent of Japan's total imports

of apple juice. China's offer price for apple juice was the lowest among other exporters to the Japanese market, with 132 yen (\$1.24) per liter on a CIF basis for the January - June, 2000. While, import price of U.S. apple juice for the same period was 198 yen (\$1.86) per liter.

Western-style Pears Growing Rapidly in Japan

The Japanese production of pears for the 2000 crop is estimated at 414,800 metric tons, roughly unchanged from the year before. "Nashi" production accounts for approximately 93 percent of Japan's total pear production. While accounting for a comparatively small share of total pear production, western-style pears are growing rapidly in Japan, as farmers are responding to better returns on these varieties. The production for the 2000 crop is estimated at 27,200 metric tons. La France is a top variety among others, as its unique flavor and flesh texture are favored by Japanese consumers.

Currently, the importation of U.S. pears are prohibited due to a phytosanitary ban (codling moth.)

California Table Grapes are Regaining Popularity in the Japanese Market

California Red Globe variety has been receiving a good reputation in its taste and quality among Japanese traders and consumers, according to Tokyo's Ohta Market traders. "In mid 1990s, berries of California table grapes often dropped from the vine before the fruit arrived in Tokyo and the fruit lost its commercial value substantially. Lately, this problem has been significantly reduced with the improved packaging practices by U.S. growers," said an Ohta Market trader. The sales of the 2000 California table grapes are expected to go up 5 - 10 percent, provided the current market condition continues, according to industry sources. Average import price of California grapes was \$1.99 per kilogram (on a CIF basis) last year. California Red Globe was traded at 3,500 - 4,000 yen (\$33.01 - \$37.73) for a 18-pound case at Tokyo's wholesale market.

Chilean Table Grapes Dramatically Increased Its Appearances in the Japanese Market

Japanese imports of Chilean table grapes has jumped 86 percent, to 7,681 metric tons, valued at \$14.2 million (CIF) in the 2000 season compared to last year. Chile's Red Globe variety, which has gained many Japanese fans, has extremely good quality with high Brix levels. Average import price of Chilean grapes was \$1.84 per kilogram in the 2000 marketing season, while, the grapes were traded at 2,800 - 3,000 yen (\$26.41 - \$28.30) for a 7.5 KG box in March, 2000 at Tokyo's wholesale market. Chilean table grapes unlikely compete with California grapes in Japan, as the marketing season is totally opposite.

High Japanese Import Duties on Fresh Apples and Table Grapes

The current Japanese import duty on fresh apples (HS code: 0808.10-000) is 17.0 percent, on a CIF basis. The import duty on fresh table grapes (HS code: 0806.10-000) is 17.0 percent during March 1 to October 31, and 7.8 percent during November 1 to the last day of February, on a CIF basis. These duties will remain the same until further decisions made at the next round of WTO negotiations.

PS&D Tables and Trade Matrices

Fresh Apple PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Area Planted	48300	48300	47303	47500	0	46700
Area Harvested	45500	45500	44600	44600	0	44000
Bearing Trees	44500	44500	43618	43600	0	42700
Non-Bearing Trees	3790	3790	3683	3870	0	3950
Total Trees	48290	48290	47301	47470	0	46650
Commercial Production	792900	792900	847700	830400	0	766900
Non-Comm. Production	86200	86200	93700	97300	0	95600
TOTAL Production	879100	879100	941400	927700	0	862500
TOTAL Imports	250	250	500	464	0	600
TOTAL SUPPLY	879350	879350	941900	928164	0	863100
Domestic Fresh Consump	708666	741066	760900	777719	0	731600
Exports, Fresh Only	2684	2684	3000	2445	0	2500
For Processing	168000	135600	178000	148000	0	129000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	879350	879350	941900	928164	0	863100

Concentrated Apple Juice PS&D Table

PSD Table						
Country	Japan					
Commodity	Concentrated Apple Juice				(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Deliv. To Processors	168000	135600	178000	148000	0	129000
Beginning Stocks	0	5000	0	5000	0	5000
Production	0	23000	0	24900	0	21700
Imports	0	11070	0	13224	0	18000
TOTAL SUPPLY	0	39070	0	43124	0	44700
Exports	0	0	0	0	0	0
Domestic Consumption	0	34070	0	38124	0	39700
Ending Stocks	0	5000	0	5000	0	5000
TOTAL DISTRIBUTION	0	39070	0	43124	0	44700

Fresh Apple Export Trade Matrix

Export Trade Matrix			
Country	Japan		
Commodity	Fresh Apples		
Time period	Jul. - Jun.	Units:	Metric Ton
Exports for:	1998		1999
U.S.	35	U.S.	43
Others		Others	
Taiwan	1809	Taiwan	1788
Hong Kong	389	Thailand	209
Thailand	237	Hong Kong	205
Singapore	86	Singapore	98
Russia	63		
Total for Others	2584		2300
Others not Listed	67		102
Grand Total	2686		2445

Fresh Apple Import Trade Matrix

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Apples		
Time period	Jul. - Jun.	Units:	Metric Ton
Imports for:	1998		1999
U.S.	0	U.S.	211
Others		Others	
South Korea	140	South Korea	6
Australia	110	Australia	247
Total for Others	250		253
Others not Listed	0		0
Grand Total	250		464

Concentrated Apple Juice Import Trade Matrix

Import Trade Matrix			
Country	Japan		
Commodity	Concentrated Apple Juice		
Time period	Jul. - Jun.	Units:	Metric Ton
Imports for:	1998		1999
U.S.	2437	U.S.	2252
Others		Others	
China	2379	China	3996
Austria	1740	Austria	2028
Netherlands	1002	Chile	969
Chile	790	Netherlands	789
Germany	678	Germany	746
New Zealand	575	New Zealand	585
Brazil	319	South Africa	492
Spain	333	Australia	423
South Africa	278	Brazil	406
Australia	216	Spain	321
Total for Others	8310		10755
Others not Listed	323		217
Grand Total	11070		13224

Fresh Apple Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Apples		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	281	204	-27.40%
Feb	283	210	-25.80%
Mar	291	245	-15.81%
Apr	328	294	-10.37%
May	411	308	-25.06%
Jun	431	292	-32.25%
Jul	447	300	-32.89%
Aug	423		-100.00%
Sep	257		-100.00%
Oct	266		-100.00%
Nov	230		-100.00%
Dec	213		-100.00%
Exchange Rate	106.05	Local currency/US \$	

Fresh Pears PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Pears				(HA)(1000 TREES)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Area Planted	20070	20070	19851	19920	0	19700
Area Harvested	18660	18660	18544	18530	0	18400
Bearing Trees	4463	4463	4440	4448	0	4440
Non-Bearing Trees	553	553	509	521	0	490
Total Trees	5016	5016	4949	4969	0	4930
Commercial Production	377400	377400	389729	383500	0	380700
Non-Comm. Production	32300	32300	33251	32200	0	34100
TOTAL Production	409700	409700	422980	415700	0	414800
TOTAL Imports	481	481	600	309	0	400
TOTAL SUPPLY	410181	410181	423580	416009	0	415200
Domestic Fresh Consump	404285	404285	417080	411340	0	409700
Exports, Fresh Only	5396	5396	6000	4169	0	5000
For Processing	500	500	500	500	0	500
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	410181	410181	423580	416009	0	415200

Fresh Pears Export Trade Matrix

Export Trade Matrix			
Country	Japan		
Commodity	Fresh Pears		
Time period	Jul. - Jun.	Units:	Metric Ton
Exports for:	1998		1999
U.S.	483	U.S.	533
Others		Others	
Hong Kong	4107	Hong Kong	2928
Taiwan	404	Taiwan	400
Singapore	159	Singapore	77
Australia	64	Australia	71
Thailand	39	Netherlands	70
Germany	36	Thailand	28
Netherlands	28	Germany	17
Total for Others	4837		3591
Others not Listed	76		45
Grand Total	5396		4169

Fresh Pears Import Trade Matrix

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Pears		
Time period	Jul. - Jun.	Units:	Metric Ton
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
South Korea	481	South Korea	309
Total for Others	481		309
Others not Listed	0		0
Grand Total	481		309

Fresh Pears Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Pears		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	284	287	1.06%
Feb	284	260	-8.45%
Mar	267	245	-8.24%
Apr	221	189	-14.48%
May	232	202	-12.93%
Jun	1152	1068	-7.29%
Jul	550	574	4.36%
Aug	323		-100.00%
Sep	294		-100.00%
Oct	307		-100.00%
Nov	299		-100.00%
Dec	344		-100.00%
Exchange Rate	106.05	Local currency/US \$	

Fresh Table Grapes PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Table Grapes				(HA)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	22200	22200	21800	21800	0	21400
Area Harvested	20900	20900	20500	20500	0	20300
Commercial Production	213300	213300	222900	222600	0	220700
Non-Comm. Production	19400	19400	19700	19400	0	19400
TOTAL Production	232700	232700	242600	242000	0	240100
TOTAL Imports	7648	7648	9000	9005	0	12500
TOTAL SUPPLY	240348	240348	251600	251005	0	252600
Domestic Fresh Consump	209335	209035	219590	219481	0	221070
Exports, Fresh Only	13	13	10	24	0	30
For Processing	31000	31300	32000	31500	0	31500
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	240348	240348	251600	251005	0	252600

Fresh Table Grapes Export Trade Matrix

Export Trade Matrix			
Country	Japan		
Commodity	Fresh Table Grapes		
Time period	Jan. - Dec.	Units:	Metric Ton
Exports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Hong Kong	13	Hong Kong	23
Total for Others	13		23
Others not Listed	1		1
Grand Total	14		24

Fresh Table Grapes Import Trade Matrix

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Table Grapes		
Time period	Jan. - Dec.	Units:	Metric Ton
Imports for:	1998		1999
U.S.	3833	U.S.	4114
Others		Others	
Chile	3764	Chile	4754
New Zealand	27	Taiwan	100
Mexico	14	New Zealand	23
Bulgaria	5	Mexico	10
Taiwan	4	South Korea	3
Total for Others	3814		4890
Others not Listed	2		1
Grand Total	7649		9005

Fresh Table Grapes Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Table Grapes		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	939	713	-24.07%
Feb	732	667	-8.88%
Mar	743	825	11.04%
Apr	2862	2576	-9.99%
May	1878	1604	-14.59%
Jun	1292	1184	-8.36%
Jul	894	907	1.45%
Aug	673		-100.00%
Sep	562		-100.00%
Oct	601		-100.00%
Nov	761		-100.00%
Dec	708		-100.00%
Exchange Rate	106.05	Local currency/US \$	